

ARROWHEAD REGIONAL MEDICAL CENTER

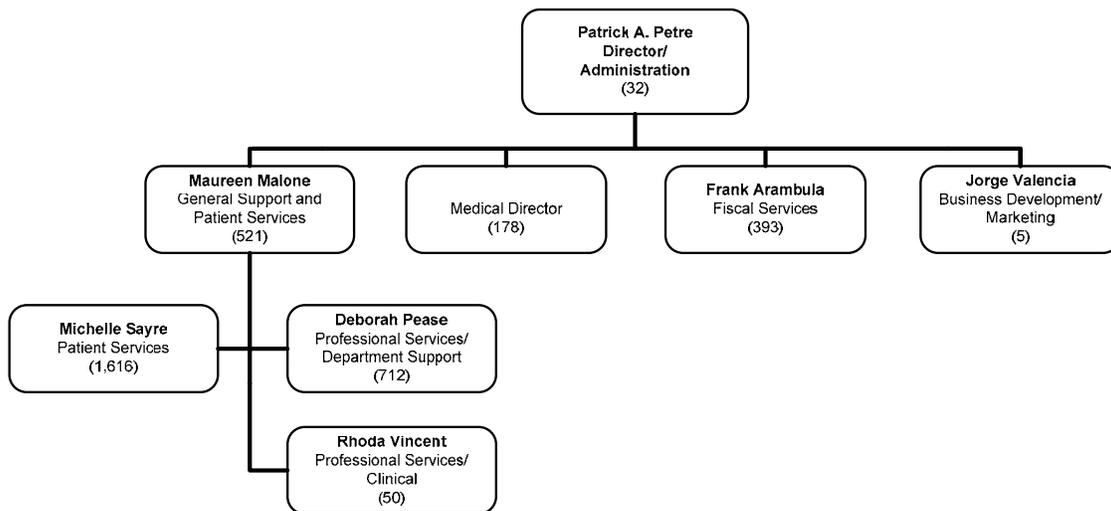
Patrick Petre

MISSION STATEMENT

The San Bernardino County Arrowhead Regional Medical Center is a safety net hospital with the primary mission of providing quality healthcare—a basic necessity of humankind—to the residents of San Bernardino County. We continuously strive to improve the health of the communities we serve and become the provider of choice for healthcare delivery and education.



ORGANIZATIONAL CHART



2010-11 AND 2011-12 ACCOMPLISHMENTS

- Opened new state-of-the-art, environmentally-friendly Medical Office Building, September 2010.
- Opened the co-location Westside Family Health Clinic, March 2012.
- Opened two additional Nursing Units on the Sixth Floor.
- Low Income HealthCare Program started January 1, 2012.
- Health Care Facilities Accreditation Program (HFAP) – Arterial Blood Gas Laboratory.
- New Post-Graduate training program for Emergency Room Physician Assistants.
- American Heart Association, “Fit Friendly” designation, Gold Level.
- California Department of Public Health (CDPH) – Patient Safety Survey.
- American Society of Health System Pharmacists – Residency Accreditation Survey.
- Health Care Facilities Accreditation Program (HFAP) – Accreditation Survey.
- Implemented the Incentive Plan second year milestones.



GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

GOAL 1: PROMOTE AND INCREASE COMMUNITY COLLABORATION AND INVOLVEMENT TO ENHANCE ACCESS TO CARE.

Objective: Collaborate with other County departments to maximize Low Income Health Program (LIHP). This program will optimize existing resources providing medical care to enrollees previously part of the County's Medically Indigent Adult program pursuant to Welfare and Institutions Code Section 17000 . Allow such designated departments to coordinate care to draw down federal matching dollars at a rate of 50% of cost. These funds will have the effect of reducing commensurate Safety Net Care Pool dollars, but overall provide for improved coordinated care that will equate to better patient outcomes.

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Enrollment in the LIHP – ArrowCare.	N/A	N/A	20,000	16,590	20,000

GOAL 2: INCENTIVE PLAN

Objective: The Incentive Plan, formerly known as Delivery System Reform Incentive Plan is a detailed plan for Infrastructure Development, Innovation Redesign, Population-Focused Improvement and Urgent Improvement in Quality and Safety.

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Required completion of all milestones of the four major categories to receive funding.	N/A	N/A	100%	95%	100%



SUMMARY OF BUDGET UNITS

	2012-13				
	Appropriation	Revenue	Net County Cost	Fund Balance	Net Budget
Enterprise Funds					
Arrowhead Regional Medical Center	437,119,540	429,198,732		(7,920,808)	3,507
Medical Center Lease Payments	42,090,345	42,090,345		0	0
Total Enterprise Funds	479,209,885	471,289,077		(7,920,808)	3,507

5-YEAR APPROPRIATION TREND					
	2008-09	2009-10	2010-11	2011-12	2012-13
Arrowhead Regional Medical Center	380,646,384	377,589,050	396,466,556	424,928,026	437,119,540
Medical Center Lease Payments	57,492,452	43,218,264	43,790,480	41,825,808	42,090,345
Total	438,138,836	420,807,314	440,257,036	466,753,834	479,209,885

5-YEAR REVENUE TREND					
	2008-09	2009-10	2010-11	2011-12	2012-13
Arrowhead Regional Medical Center	368,673,065	373,096,834	402,444,177	419,710,182	429,198,732
Medical Center Lease Payments	56,690,631	42,416,443	42,988,659	41,825,808	42,090,345
Total	425,363,696	415,513,277	445,432,836	461,535,990	471,289,077

5-YEAR NET BUDGET TREND					
	2008-09	2009-10	2010-11	2011-12	2012-13
Arrowhead Regional Medical Center	(11,973,319)	(4,492,216)	5,977,621	(5,217,844)	(7,920,808)
Medical Center Lease Payments	(801,821)	(801,821)	(801,821)	0	0
Total	(12,775,140)	(5,294,037)	5,175,800	(5,217,844)	(7,920,808)

Note: Beginning in fiscal year 2012-13, Capital Expenditures have been included and Depreciation has been excluded in appropriation in enterprise and internal service funds for budgetary purposes. In the table above, prior years have been restated for consistency.



Arrowhead Regional Medical Center

DESCRIPTION OF MAJOR SERVICES

Arrowhead Regional Medical Center (ARMC) is a state-of-the-art acute care facility embracing advanced technology in all patient and support areas. ARMC offers the latest in patient care by providing a full range of inpatient and outpatient services, three off campus and one on campus community health centers, Department of Behavioral Health's inpatient activities and numerous specialty services. Freeway access, shuttle service and close proximity to an Omnitrans bus hub make ARMC convenient to County residents.

Budget at a Glance	
Total Expenditure Authority	\$437,119,540
Total Sources	\$429,198,732
Net Budget	(\$7,920,808)
Estimated Unrestricted Net Assets	\$50,357,730
Use of Unrestricted Net Assets	\$7,920,808
Total Staff	3,507

ARMC and Behavioral Health facilities are comprised of 456 (90 in Behavioral Health and 366 in ARMC) inpatient rooms, most of which are private. The Emergency Department is a Level II Trauma Center and consists of 15 observation rooms, 8 treatment rooms, 3 law enforcement holding rooms, 8 trauma rooms and a 9 bay Rapid Medical Emergent Treatment area to expedite treatment and improve throughput. The helicopter landing area can accommodate both standard Medi-Vac helicopters and military helicopters. The outpatient care center consists of 109 examination rooms and 8 procedure rooms.

The campus houses five buildings which also serve to outline the definitive services/medical center functions: Behavioral Health, Hospital, Outpatient Care Center, Diagnostic & Treatment and the Central Plant.

Inpatient Care: Inpatient services provide curative, preventative, restorative and supportive care for general and specialty units within the General Acute Care Hospital, Behavioral Health Hospital and Home Health. Care is coordinated among multiple care providers responsible for patient care twenty-four hours a day. Nursing functions as a primary interface with patients, families and others, and is often the interpreter for the hospital experience and treatment plan. Education is a primary focus, and ARMC offers numerous Residency Programs for the training of physicians in Family Practice, Emergency Medicine, Surgery, Neurosurgery, Women's Health, and Internal Medicine.

Outpatient Services: Outpatient Care is an integral part of our multifaceted healthcare delivery system offering a wide range of emergency, primary, preventive, chronic, follow-up and specialty care in an ambulatory care setting. Visits have exceeded 250,000 annually exclusive of the Emergency Room volume. Mobile services have been expanded to one Mobile Clinic and two Breath Mobile units for a total of three. This will allow clinical services to be delivered in outlying areas and County emergencies when it is needed.

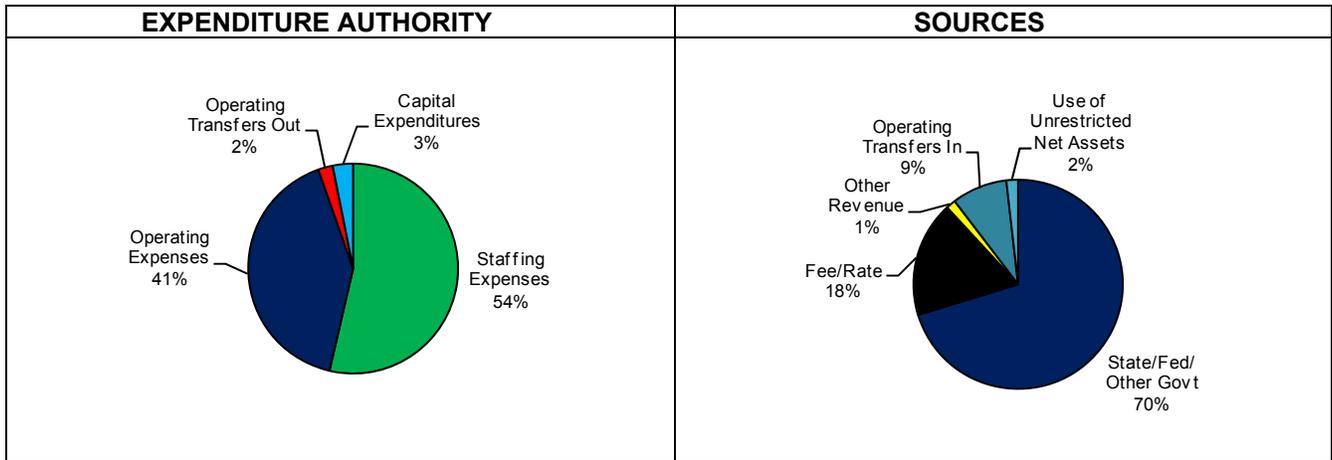
ARMC has worked diligently with the California Association of Public Hospitals to maximize funding for Medi-cal and uninsured patients under disproportionate share and safety net care pool sources. These sources are provided primarily through the California section 1115 Waiver. The initial five year Waiver ended at the end of 2009-10. The new Waiver deal was implemented in November 2010. The impact of the new Waiver will increase funding, but not without new costs for infrastructure and performance to achieve outcomes.

Under the new Waiver, counties had the opportunity to develop coverage initiatives by implementing a Low Income Health Plan (LIHP). The County of San Bernardino created a collaborative of community stakeholders and County departments including Behavioral Health, Human Services, and Public Health that implemented the County's LIHP, ArrowCare. The contract with the Center for Medicare and Medicaid Services (CMS) was approved and started January 1, 2012. ARMC has been a key component in service delivery in the LIHP for physical medicine, and will be working with other County departments in preparing, through this program, for the transition to Health Care Reform in 2014. Incrementally, funding under the LIHP only represents a change in the financing mix and will net to zero since many of the current medically indigent patients in the will now be part of the LIHP.

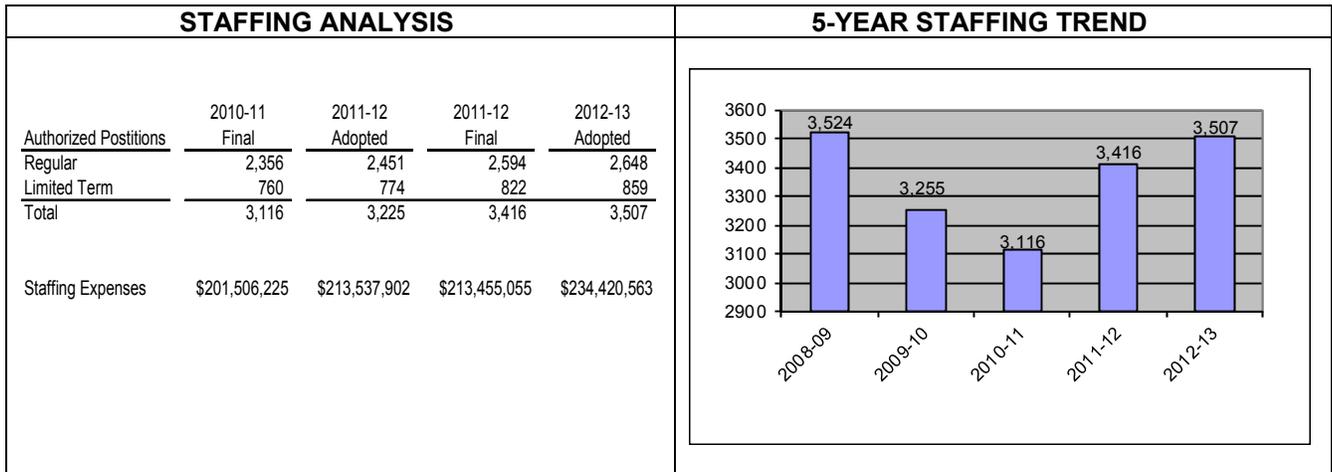
A new funding source provided under the waiver, the Incentive Plan, is an innovative approach to provide an improved delivery system. The Incentive Plan will provide Infrastructure Development, Innovation Redesign, Population-Focused Improvement and Urgent Improvement in Quality and Safety. Incentive Plan funding is strictly tied to results and meeting of transformation milestones.



2012-13 ADOPTED BUDGET



BUDGETED STAFFING



ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Arrowhead Regional Medical Center
DEPARTMENT: Arrowhead Regional Medical Center
FUND: Medical Center

BUDGET UNIT: EAD MCR
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
Appropriation							
Staffing Expenses	203,139,752	200,762,686	201,506,225	213,355,057	213,455,055	234,420,563	20,965,508
Operating Expenses	165,903,110	198,507,388	168,352,555	192,521,909	192,571,627	179,180,768	(13,390,859)
Capital Expenditures	7,270,737	6,304,355	2,627,788	10,585,537	10,709,970	13,723,993	3,014,023
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	376,313,599	405,574,429	372,486,568	416,462,503	416,736,652	427,325,324	10,588,672
Reimbursements	(10,000)	(5,521)	(12,500)	(139,322)	(139,321)	0	139,321
Total Appropriation	376,303,599	405,568,908	372,474,068	416,323,181	416,597,331	427,325,324	10,727,993
Operating Transfers Out	8,479,467	8,454,106	9,808,735	8,230,697	8,330,695	9,794,216	1,463,521
Total Requirements	384,783,066	414,023,014	382,282,803	424,553,878	424,928,026	437,119,540	12,191,514
Departmental Revenue							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	228,968,665	296,025,571	297,112,798	291,865,158	289,028,748	307,131,788	18,103,040
Fee/Rate	114,095,032	97,291,248	89,696,625	97,178,302	86,684,872	78,120,942	(8,563,930)
Other Revenue	6,260,931	(6,553,910)	14,660,124	2,151,835	4,625,017	6,576,002	1,950,985
Total Revenue	349,324,628	386,762,909	401,469,547	391,195,295	380,338,637	391,828,732	11,490,095
Operating Transfers In	40,026,440	39,880,010	974,630	38,312,185	39,371,545	37,370,000	(2,001,545)
Total Financing Sources	389,351,068	426,642,919	402,444,177	429,507,480	419,710,182	429,198,732	9,488,550
Net Budget	4,568,002	12,619,905	20,161,374	4,953,602	(5,217,844)	(7,920,808)	(2,702,964)
				Budgeted Staffing	3,416	3,507	91

BUDGET CHANGES AND OPERATIONAL IMPACT

During 2011-12, ARMC responded to increases in volume and changes in regulatory requirements by opening two additional nursing units and an observation unit. Increasing personnel was necessary to meet those demands resulting in increased staffing expenses. However, a portion of the increased costs will be offset in 2012-13 with the reduced costs for temporary help.

Staffing expenses have a net increase of \$20,965,508 and 91 budgeted positions over the current year's final budget based on increased staffing and retirement costs.

Operating expenses reflect a decrease of \$13,390,859 due primarily to the elimination of temporary help costs. The budget for this expenditure has been eliminated in the coming year as the permanent staffing has been established to allow the flexibility necessary to maintain required staffing levels. The reduction of this expenditure helps to partially offset the increase in staffing expenses.

With the current Medi-cal Waiver as a bridge to Healthcare Reform, the mix of revenues will continue to change. Overall revenue has increased with managed care revenue and higher Medi-cal reimbursements due to increased volume.

MAJOR EXPENDITURES AND REVENUE IN 2012-13 ADOPTED BUDGET

Staffing expenses of \$234,420,563 fund 3,507 budgeted positions.

Operating expenses of \$179,180,768 are comprised primarily of external provider care services for CMSP patients of \$16,802,872, medical indigent expense of \$2,290,240, patient food services of \$2,366,856, laundry and housekeeping of \$3,072,175, equipment expense of \$4,080,610, data processing of \$1,939,789, utilities of \$7,070,241, insurance of \$7,846,749, office supplies, printing/courier services of \$1,674,106, COWCAP of \$1,354,254, physician fees of \$29,852,967, purchased medical services of \$24,027,639, medical supplies of \$54,458,592, travel of \$842,922 and rent expense of \$7,507,491.



Capital expenditures of \$13,723,993 include \$9,286,969 for equipment, \$886,779 for Structure and Improvement and \$3,550,245 for lease purchase equipment. Major equipment acquisitions include an Angio/Cath Laboratory (\$1,403,468), a Multi-slice CT scanner (\$1,500,235), a Catherization Laboratory Replacement (\$1,518,105), and Meaningful Use Information Technology equipment (\$5,385,950). Major Lease purchases include a Hospital Network Switch System Refresh (\$966,711), a Citrix XenApps Server Refresh (\$1,270,316) and the replacement of Scanning and Archiving Computer Equipment (\$920,286).

Operating transfers out of \$9,794,216 represents \$8,000,000 of ARMC's contribution from operations for the Medical Center Debt Service and \$1,794,216 for Capital Improvement Projects. A detailed description of the Medical Center Debt Service is available in ARMC's Medical Center Lease Payments budget unit.

Departmental revenue includes \$307,131,788 in state and federal funding primarily from Medicare and Medi-Cal, \$78,120,942 in current services from private pay patients and insurance, and \$6,576,002 in other revenue from cafeteria sales, interest, miscellaneous grants, and services provided to other County departments and hospitals through the residency program.

Operating transfers in of \$37,370,000 reflect the Realignment contribution to ARMC for the CMSP impact to hospital operations of \$34,820,000 and \$2,550,000 for the Medically Indigent Adult program.

Currently, ARMC has a net budget of \$-7,920,808 due to the one time use of prior year's unused Realignment for capital purchases.

STAFFING CHANGES AND OPERATIONAL IMPACT

ARMC staffing increased 91 budgeted positions in 2012-13 from the current year's final budget. A portion of these budgeted increases reflects the ARMC's participation in the Low Income Health Program and a Delivery System Reform Incentive Plan. Clinical positions totaling 7 were added in 2012-13 for these two programs. Additionally, 20 positions were added for a new observation unit and 30 positions were added for patient sitters in response to regulatory changes. Position changes to lower costs for temporary help and overtime giving the Department flexibility with scheduling resulted in the addition of 25 positions. While the number of positions has increased significantly, many of the positions are part time positions that will allow ARMC to meet required staffing ratios in addition to scheduling flexibility. ARMC will also be implementing new technology systems for the new programs in preparation for Healthcare Reform and compliance with the Electronic Health Record. Additions for these programs totaled 4 new positions. Other anticipated program changes resulted in an additional 5 positions.

2012-13 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Administration	32	0	32	30	2	0	32
Gen. Support/Patient Svcs	399	122	521	418	93	10	521
Patient Services	1,161	455	1,616	1,213	354	49	1,616
Professional Services-Dept. Support	631	81	712	635	76	1	712
Professional Services-Clinical	42	8	50	35	14	1	50
Fiscal Services	369	24	393	332	39	22	393
Medical Director	11	167	178	166	4	8	178
Business Development/Marketing	3	2	5	4	1	0	5
Total	2,648	859	3,507	2,833	583	91	3,507



Administration	General Support and Patient Services	Patient Services
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Administrative Analyst III	4 Assistant Nurse Manager	2 Ambulatory Clinic Manager
1 ARMC Chief Operating Officer	1 Asst Hosp Admin - Behavioral Health	10 ARMC House Supervisor-Per Diem
1 Assoc Hosp Admin Patient Services	1 Asst Dir of Respiratory Care Services	15 Assistant Nurse Manager
1 Director Arrowhead Regional Med Ctr	4 Clinic Assistant	1 Asst Hosp Admin-Ambulatory Services
1 Executive Assistant	9 Clinical Therapist I	3 Asst Hosp Admin - Nursing Services
1 Executive Secretary III -Class	1 Clinical Therapist II	3 Burn Care Technician
5 Fiscal Specialist	1 Clinical Therapist Pre-License	3 Certified Trauma Registrar
1 General Services Aide	1 Contract Occupational Therapist II	1 Chief Nursing Officer
3 Office Assistant II	35 Cont. Respiratory Care Practitioner II	95 Clinic Assistant
2 Office Assistant III	4 Contract Surgical Technician	6 Clinic Supervisor-ARMC
1 Office Specialist	1 Director of Respiratory Care Services	1 Clinical Nurse Specialist
1 Personnel Technician	1 Health Education Specialist II	3 Cont Respiratory Care Practitioner II
2 Secretary II	1 Hospital Risk Coordinator	2 Dialysis Technician
1 Staff Analyst I	1 Hospital Services Worker	1 Education Services Supervisor
1 Staff Analyst II	28 Hospital Unit Assistant	44 Emergency Room Technician
1 Supervising Fiscal Specialist	12 Licensed Vocational Nurse-Per Diem	6 Float Pool Registered Nurse-Per Diem
1 Office Assistant II	28 Licensed Vocational Nurse II	1 Health Services Assistant I
7 Secretary I	1 Mental Health Clinic Supervisor	1 Hospital Customer Advocate
<u>32</u> Total	43 Mental Health Nurse II	1 Hospital Employee Health Nurse
	6 Mental Health Nurse Manager-ARMC	2 Hospital Services Worker
	2 Neurodiagnostic Technolgst II	91 Hospital Unit Assistant
	1 Neurodiagnostic Technologist	3 House Supervisor
	1 Nurse Educator	8 Licensed Vocational Nurse - Per Diem
	2 Nurse Manager	80 Licensed Vocational Nurse II
	1 Nurse Supervisor	1 Licensed Vocational Nurse III
	51 Nursing Attendant	1 Manager,Wound Care Svcs & Hbc
	2 Occupational Therapist II	1 Multimedia Coordinator
	3 Occupational Therapy Assistant	10 Nurse Educator
	8 Office Assistant II	1 Nurse Epidemiologist
	8 Office Assistant III	11 Nurse Manager
	1 Office Specialist	1 Nurse Recruiter
	1 Patient Navigator	2 Nurse Supervisor
	39 Psychiatric Technician I	81 Nursing Attendant
	1 Pulmonary Function Specialist	3 Nursing Program Coordinator
	1 Registered Nurse II - Clinic	44 Office Assistant II
	67 Registered Nurse II - Per Diem	5 Office Assistant III
	75 Registered Nurse II-ARMC	1 Oral Surgery Technician
	1 Registered Cardio Pulmonary Nurse	4 Orthopedic Technician
	27 Respiratory Care Practitioner 2	30 Patient Safety Assistant
	6 Respiratory Therapist	3 Registered Nurse Case Manager
	1 Respiratory Care Practitioner 2	22 Registered Nurse II - Clinic
	2 Respiratory Care Practitioner 3	321 Registered Nurse II - Per Diem
	3 Secretary I	586 Registered Nurse II-ARMC
	1 Sterile Processing Technician	1 Respiratory Care Practitioner 2
	1 Sterile Processing Technician 1	5 Secretary I
	1 Stores Specialist	1 Secretary II
	1 Supervising Office Assistant	1 Social Service Practitioner
	7 Supvg Respiratory Care Practitioner	1 Staff Analyst II
	1 Supvg Utilization Review Technician	84 Student Nurse
	14 Surgical Technician	1 Supervising Office Specialist
	4 Ultrasound Technologist II	11 Telemetry Technician
	4 Utilization Review Technician	<u>1,616</u> Total
	<u>521</u> Total	



Fiscal Services	Business Development/Marketing	Medical Director
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
4 Accountant III	1 ARMC Business Development Office	1 Administrative Supervisor I
4 Accounting Technician	1 Cont Mktg & Bus Dev Coord -ARMC	1 Contract Resident PGY III
1 Administrative Supervisor I	1 Media Specialist	13 Contract Resident PGY IV
2 Administrative Supervisor II	1 Photographer	2 Contract Resident PGY V
8 Applications Specialist	1 Secretary II	133 Contract Resident PGY VI
1 ARMC Chief Financial Officer	5 Total	18 Contract Resident PGY VII
1 ARMC Chief Medical Information Officer		7 Education Specialist
1 ARMC Medical Svcs Program Coord		1 Office Assistant II
1 ARMC Social Services Manager		1 Secretary I
1 Assoc Hosp Adm Professional Serv		1 Statistical Analyst
1 Asst Hospital Administrator Fiscal		178 Total
10 Automated Systems Analyst I		
1 Automated Systems Analyst II		
9 Automated Systems Technician		
2 Business Applications Manager		
1 Business Systems Analyst I		
4 Business Systems Analyst II		
4 Business Systems Analyst III		
2 Case Management Supervisor		
1 Clinic Assistant		
1 Cnt. Ancillary Receivables Mgr		
8 Collections Officer		
6 Cont Medi-Cal Specialist		
5 Contract Social Services Practitioner		
1 Contract Asst. Hosp. Admin - Fiscal		
1 Contract Asst. Hosp. Adm - Pnt Fisc		
1 Cont Manager Pre MediCal Qual Dept		
1 Cont Spvsr Pre MediCal Qual Dept		
1 Departmental IS Administrator		
26 Fiscal Assistant		
5 Fiscal Specialist		
1 General Services Aide		
2 Hospital Unit Assistant		
1 Licensed Vocational Nurse II		
1 Material Manager		
12 Medical Records Coder I		
7 Medical Records Coder II		
1 Medical Records Manager		
2 Medical Records Supervisor		
144 Office Assistant II		
13 Office Assistant III		
2 Office Assistant IV		
17 Office Specialist		
2 Patient Accounts Supervisor		
1 Programmer Analyst I		
1 Programmer Analyst II		
19 Registered Nurse Case Manager		
2 Registered Nurse II - Per Diem		
3 Registered Nurse II - ARMC		
6 RN Case Manager - Per Diem		
4 Secretary I		
8 Social Service Practitioner		
2 Staff Analyst I		
6 Staff Analyst II		
4 Storekeeper		
2 Stores Specialist		
7 Supervising Office Assistant		
1 Supervising Office Specialist		
1 Supervising Auto Systems Analyst I		
1 Systems Support Analyst II		
1 Utilization Review/Perform Imp Nurse		
4 Utilization Review Technician		
393 Total		

